

E-129, 136/SA-90-641 ORDER APPROVING CHANGES IN ASSIGNED SERVICE  
AREAS

BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION

Darrel L. Peterson  
Cynthia A. Kitlinski  
Norma McKanna  
Robert J. O'Keefe  
Patrice M. Vick

Chair  
Commissioner  
Commissioner  
Commissioner  
Commissioner

In the Matter of a Petition from  
North Star Electric Cooperative  
to Change a Portion of its  
Service Territory Boundary with  
Roseau Electric Cooperative near  
the City of Warroad

ISSUE DATE: December 12, 1990  
DOCKET NO. E-129, 136/SA-90-641  
ORDER APPROVING CHANGES IN  
ASSIGNED SERVICE AREAS

**PROCEDURAL HISTORY**

On August 31, 1990, North Star Electric Cooperative (North Star) filed a petition requesting approval of a written agreement it had signed with Roseau Electric Cooperative (Roseau). The agreement would allow North Star to continue serving seven customers in Lake Township, which is part of Roseau's service territory. North Star had previously begun serving these customers on the strength of an unwritten agreement with Roseau. The proposed written agreement would adjust the boundary lines on the service area map to reflect the seven customers' actual service provider.

On September 24, 1990, the Department of Public Service (the Department) filed comments recommending approval of the agreement.

On November 5, 1990, the Commission issued a Notice of Commission Meeting to allow all interested persons, including affected customers, an opportunity to attend.

The matter came before the Commission on December 4, 1990. At the meeting, no one expressed disapproval of the agreement.

**FINDINGS AND CONCLUSIONS**

The utilities propose to modify their service area boundaries to allow the utility with closer facilities to serve the areas at issue. This is consistent with the goals of the assigned service area statutes:

It is hereby declared to be in the public interest that, in order to encourage the development of coordinated statewide electric service at retail, to eliminate or avoid unnecessary duplication of electric utility facilities, and to promote economical, efficient, and adequate electric service to the public, the state of Minnesota shall be divided into geographic areas within which a specified electric utility shall provide electric service to customers on an exclusive basis.

Minn. Stat. § 216B.37 (1988).

The Commission finds that the written agreement is in the public interest and will further the goals of the assigned service area statutes. The Commission will approve the agreement.

The Commission notes, however, that the parties had in effect redrawn their service area boundaries by unwritten agreement. The Commission points out to these cooperatives that service area boundary changes can only be made by the Commission after notice is given to all parties and a hearing is held. When service is provided by exception, a written agreement must be executed in advance between the two utilities.

#### ORDER

1. The assigned service area boundary changes contained in the agreement dated August 17, 1990, between North Star Electric Cooperative and Roseau Electric Cooperative, are approved.
2. The Department of Public Service shall revise the official service area maps to reflect the boundary changes approved herein.
3. This Order shall become effective immediately.

BY ORDER OF THE COMMISSION

Richard R. Lancaster  
Executive Secretary

(S E A L)